Arizona Department of Real Estate

2025 -2029 Strategic Plan (5 years-Static)

Agency CEO: Strategic Planner: Last modified: Susan Nicolson Jim Knupp 3/19/2024

Statewide Vision: An Arizona for everyone.

Agency Vision: The Arizona Department of Real Estate will serve to educate and proactively work with the real estate profession to better protect Arizona consumers and hold accountable licensees failing to meet statutory requirements and standards.

Agency Mission: Protect the public interest through licensure and regulation of the real estate profession in this state.

Agency Description: The Department oversees the administration of licensing examinations and issuance of licenses, as well as the activities of licensees to ensure compliance with the Arizona Revised Statutes and the Arizona Administrative Rules. Within the purview of the Department are builder/development regulation of the sale of subdivided and certain unsubdivided lands, timeshares, condominiums, membership campgrounds, and cemeteries, administration of the Homeowner's Association Dispute and Mediation Process, and conducting investigations of consumer complaints, and audits of real estate brokerages. The Department also regulates real estate schools and instructors, monitoring prelicensing and continuing education courses to ensure the quality of the content of courses and the competence of the instructors, as well as the quality and timeliness of materials being taught.

Resource Assumptions: Enter Full-Time Employees (FTEs) and funding data by type (General fund (GF), other appropriated funds (AF), non-appropriated funds (NAF), and federal funds (FED). Includes three years with actuals reflected for first year and approved for second and third year.

<u>FY</u>	<u>FTEs</u>	Funding:	<u>GF</u>	<u>AF</u>	<u>NAF</u>	<u>FED</u>	<u>Total</u>
23	25.0		\$3,221.00	\$0.00	\$ 900.000	\$0.00	\$4,121.00
24	37.0		\$3,198.00	\$0.00	\$1,015.00	\$0.00	\$4,213.00
25	27.0		\$3,058.00	\$0.00	\$1,200.00	\$0.00	\$4,258.00

^{*}Total reflects GF + AF + NAF. FED funding shown is broken out from NAF.

Executive Summary:

With proactive communication and education, the Arizona Department of Real Estate (ADRE) works to protect the public through a statutorily established licensing and regulatory scheme designed to encourage disclosure, high standards of client representation and a requirement for licensee's to provide reasonable skill and care.

Strategic Issues

- Position the department to successfully transition to a new customer relationship management solution;
- Identify customers, their values and expectations;
- As practicable, practice data driven decision making and structured problem solving;
- Identify opportunities to streamline the delivery of services;
- Enhance online technology platform;
- Delivering results that provide greater benefits for Arizonans.

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Summary of 5-Year Agency Outcomes (Outcomes are the desired result or impact of addressing strategic issues)

#	Agency Five-Year Outcomes	Start Year	Linked to Gov. Priority Outcome?	Progress / Status
1	By June 2029, ADRE will establish data sharing agreements with 100% of the agencies, both public and private, who enforce fair housing laws.	2025	Housing and Human Services	In 2024, ADRE hired an Assistant Commissioner, Enforcement and Compliance to begin building relationships with the Department of Housing and Urban Development's Fair Housing Assistance Program and Fair Housing Initiatives Program Organizations.
2	By June 2029, ADRE will require 100% of licensees to obtain education on Firewise USA ^(R) requirements.	2025	Resilience, Water, and the Environment	In 2024, the Department began working with other state agencies to develop course material that would teach a licensee's how to educate their clients on defensible fire zones.
3	By June 2029, ADRE will be able to train 100% of licensees to appropriately identify and report suspected deed fraud activities.	2025	Housing and Human Services	In 2024 and related to deed fraud, ADRE engaged with the Attorney General's Office to discuss effective methods of partnership, collecting actionable information and started the development of deed fraud course materials for use in Continuing Education.

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Outcome #	FY25 Annual Objectives	Objective Metrics	Annual Initiatives					
1 - Fair Housing Compliance - Helping Arizonans Obtain Housing	 By Dec. 2025, ADRE will have signed Memorandums of Understanding(MOU) or Intergovernmental Agreements (IGA) with 100% of agencies that enforce fair housing. By June 2025, establish a process for using violation data to support fair housing. 	 % of MOUs/IGAs signed % of deliverables completed on time. 	 Get signed Memorandums of Understanding(MOU) or Intergovernmental Agreements (IGA) with identified groups to receive information on violations or trends among Arizona licensees Create process for receiving and using violation data to support fair housing. 					
2 - Fire Prevention and Preparedness	 By August 2024, create and distribute curriculum for new education material. By January 2025, establish a requirement for renewals to complete continuing education on newly created education material. By June 2026, launch a disclosure form to include impacts of Firewise and other programs on homeowners insurance. 	 % of Milestones Completed on Time % of Licensees Completing Course at Renewal (Begins January 1, 2025) % of Milestones Completed on Time 	 Create course content on Firewise and other related programs helping to protect property and benefits of such programs on insurance policies and offerings. Inform renewals to meet new requirement to complete continuing education material. Create disclosure material. 					
3 - Well-Regulated Industry	 By June 2026, establish a core working group to investigate predatory practices. Breakthrough: By June 2026, establish a way to track predatory practices. 	 % of plan to track predatory practices completed % of plan on investigation practices completed 	Identify state and local partners to share intelligence and review potential predatory practices.					

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Stakeholder Engagement Plan (Summary):

Internal: Leadership and managers will work with teams to inform and develop buy in and best plans for implementation of overall strategic plan and localize portions to staff with opportunity to impact department's outcomes.

External: Department engages with industry partners at least quarterly through Department-scheduled and invitational speaking events. By doing so, Department is able to engage with those licensees and associations most engaged in the industry. Department also uses social media, other external speaking events and possesses and is able to communicate through email directly with licensees. Department also continues fostering relevant relationships with public and private partners.

Communication Plan (Summary):

Internal: Department is a team of approximately 25 people. Leadership and managers will meet with and work directly with staff members to inform of changes and plans for the strategic plan and continue email communication to teams periodically and celebrate wins collectively.

External: Department has email for approximately 80,000 licensees, schools and associations and will also use stakeholder engagement and social media to connect with regulated parties and the public to inform of changes and successes.